Adaptation, Evolution and Survival? The Political Economy of Whitleyism and Public Service Industrial Relations in the UK 1917-Present

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Abstract: The Whitley Reports, 1917, were seen by contemporaries as conservative: they reflected pre-existing voluntaristic approaches to the labour problem rather than a radical departure. Largely neglected by the well-established private sector, for whom they were intended, Whitley Councils were taken up by the newly emerging public service unions. The inter-war years demonstrated Whitleyism's lack of clout. But, endorsed by governments during and after the Second World War, public sector Whitleyism came to embody the tenets of progressive public administration by providing nationally determined pay, career progression and a public service ethos. These hard-won union gains are under attack from neo-liberal reforms that attempt to model public service labour relations on the private sector. The paper examines the major weaknesses and strengths of the Whitley model for managing public service industrial relations through an analysis of a century of Whitleyism.

Key words: Public Service Unions; Collective Bargaining; New Public Management; Pay Determination; Performance Management; Austerity

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Introduction

The 'Whitley Committee on Relations between Employers and Employed' was established in 1916 as a sub-committee of the 'Cabinet Committee on Reconstruction' to examine the effects of wartime government measures on industrial organisation. The Commission was the government's response to a number of pre-war trends in industrial relations including: rising trade union membership and strikes; growing labour demands for 'worker control', realisation that wartime controls to restrain strikes would be removed after the war. In addition, it was a response to the need to

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deal with demobilisation of soldiers and officers in the trenches fighting not just for peace in the world but a better place to live in after the war; and the extension of the franchise by 8 million voters. This included 6 million women who had experience of working and unionism in wartime (Whitley,1917 & 1918/2012; Goodrich, 1975; Clynes, 1918).

John Henry Whitley chaired the Committee. A successful businessman, Liberal MP for Halifax and Deputy Speaker of the House of Commons (1911-21), Whitley's call for a "social revolution" to avert a Russian-type *political* Revolution, represented a key current of thought amongst Liberals. He called for a "New Liberalism" that would combine social revolution and reform without the "madcap or Utopian schemes" on offer from, he claimed, the Labour Party (Whitley, 1918/2012). This 'compromise' which permeates the Whitley Reports (1917 and 1918) and their careful language may help to explain unanimity on the Reports' recommendations despite the Committee being dominated by labour movement representatives. However, there was a note of dissent to the Final Report from the latter:

> "…a complete identity of interests between capital and labour cannot …be affected…in an economic system primarily governed and directed by motives of private profit" (Whitley, 1917; Farnham, 1979)

The recommendations of the First Report for standing Joint Industrial Councils (JICs) in the 'well-organised' industries like cotton, shipbuilding, iron and steel and coalmining, were largely ignored (as they offered little novelty). In a subsequent report, examining the less well-organised industries, the Committee recommended,

"almost as an afterthought", the proposals be extended to state and municipal authorities (Whitley, 1917; Clay, 1929; Sheldrake, 1988, p.4). And it was in these industries, where general unions were organising unskilled and semi-skilled workers, and in state and municipal authorities, that the recommendations were taken up. A major reason for this was the Whitley Reports' assertion of the principle of trade union recognition and its outline of a system of conciliation to be organised at national, district and works-level to meet on a regular basis. In public services, where unions had been struggling for recognition for three decades, this system offered hope (Clegg, Fox and Thompson, 1964; Webb and Webb, 1920a). Indeed, public services in the UK were to become synonymous with Whitleyism in the 20th century.

Whitleyism reflected the voluntarist approach to labour relations of the 19th century. With roots in laissez-faire economics, voluntarism denoted employer and trade union antipathy to state intervention and a reluctance on the part of the state to regulate the employment relationship. The voluntarist roots of Whitleyism had a number of unintended consequences for public sector IR. Its legacy has meant most public servants have no distinct legal status as in some other parts of Europe and that public sector IR is vulnerable to shifts in government policy (from progressive/regressive public administration). It also influenced the evolution of a hybrid and distinctive model of union behaviour. This included political lobbying and a professional and non-commercial public service ethos married to a capacity for industrial action and organisation borrowed from the private sector.[1] This model evolved in response to the contradictions and conflicts of the laissez-faire, voluntarist approach to managing pay and performance in the public sector.

The paper outlines the Whitley recommendations for conciliation machinery and their underlying principles. It traces the rise of Whitleyism to underlying currents in public opinion, labour movement activity and wartime preoccupations. From this vantage point, the paper then looks *back* at 1880s-1917 at the struggle by public service unions against low pay, sweated labour, nepotism and corruption. This look backward shows why Whitleyism offered such hope. The paper then looks *forward* from 1919 to the present in three phases: 1919-1948; 1948-1979 and finally 1979-present to examine the Whitley legacy in public services: how did the machinery and principles evolve; what were their strengths and weaknesses; how were principles for pay and performance to be developed in a non-market sector; what consequences would the legacy of voluntarism have on public service and public service IR over the next 100 years.

1. The Political Economy of Whitleyism: The Crucible of War

> "...there is no one break in the long series from syndicalism to Whitleyism, and the widespread acceptance of the latter in middle class thinking is a hint of the driving force of the more drastic doctrines". (Goodrich,1975,p.7)

Between 1910-1913, the number of industrial stoppages doubled that for the seven preceding years (Clay, 1929, p.16; Phelps Brown, 1959). In 1917, in line with an international trend, nearly 6 million working days were lost in strikes, more than double the number for 1916 (Sheldrake, 1988, p.9). Overall union membership grew from two and a half million in 1910 to almost eight and a half million in 1920 (Clay, 1929, p.143). There was growing criticism amongst 'socialist' thinkers and public opinion of the economic and political order of the day (Hobsbawm, 1968; Foote,

1997).[2] And the rise of the Labour Party was a recognition of the fundamental conflict between ‘Labour’ and ‘Capital’ (Webb and Webb, 1920; Foote, 1997). Laissez-faire had become untenable and state intervention in labour matters, designed to deal with the problems of unemployment in the years of the trade depression (1904-05), was stepped up by the Liberal government in a series of legislative measures aimed at social reform (Clay, 1929; Foote, 1997).

Meanwhile a disillusioned Trade Union Movement, in response to rising prices and reduced wages (in tandem with rising profits) and the dislocations of war, was increasingly drawn by the syndicalist demand for 'direct action' through industrial means (Webb and Webb, 1920, p.665; Clay, 1929, p.146). The needs of wartime production made all classes of labour, skilled and unskilled, indispensable and gave ‘labour a new sense of power and new ambitions’ which expressed itself in a demand for industrial self-government (Clay, 1929, p.148; Goodrich, 1919/1975).

As the war continued, union leaders became increasingly involved in the government's war effort, many even taking up government office. Under the Munitions of War Act 1915, unions agreed to give up the right to strike, accept dilution (the principle that skilled work can be carried out by lower-skilled and female labour) and recognise compulsory arbitration (Cole, 1923/1973; Sheldrake, 1988, p.8). The shop floor response to this 'industrial pacifism' of the leadership was agitation for 'workshop control' (Gallacher & Paton in Cole, 1923/1973, Appendix H). Labour shortages and the effects of dilution enhanced the power of shop stewards as grievances were handled locally (Cole, 1923/1973; Hinton, 1973). Discontent amongst the rank and file erupted in the strikes of May, 1917 in the engineering

industry, prompting the Lloyd George coalition government's appointment of the 'Whitley Commission of Inquiry into Industrial Unrest' which recommended the adoption of the Whitley Committee's first report (Clay, 1929; French, 1995/2011).

Whitley Reports : Principles and Machinery of Conciliation

The Committee produced five reports. The first, known as 'The Whitley Report' addressed the 'well-organised' industries, recommending the establishment of Joint Industrial Councils (JICs). As the Webbs noted, it made a "great stir, increased by the definite endorsement of its recommendations by the Government" (Webb and Webb, 1920a, p.647). Clay felt the reasons for this were due to "pre-existing currents of opinion of which the Report seemed to be a fulfilment." (Clay, 1929, p.151). The Final Report's claim to be "conferring upon the joint councils...a large measure of self-government" was a faint echo of the syndicalist demand for 'complete control' (Clay, 1929, p.152; Goodrich, 1919/1975, p.5)

The report was 'conservative' rather than 'innovatory' but,

> "its importance consisted in three things: it asserted the principle of trade union recognition, it embodied the outlines... of any effective conciliation scheme, and it made a case for widening the scope of conciliation organisation." (Clay, 1929, p.152)

The First Report laid down three minimal conditions that any machinery for conciliation should satisfy: firstly, that it should be national in scope; secondly, that it must be 'standing' or permanent and thirdly, while national in extent, it should be

decentralised in action. Its proposed hierarchy of national, district and works councils was criticised by syndicalists for making national councils the basis of its structure, that is, for recommending a top-down structure (Webb and Webb, 1920, p.647; Clay, 1929, p.156). One union member of the Whitley Committee insisted that without strong organisation at Works Committee-level, the national JIC was "A superstructure with no foundation", and hence impossible (Button, 1918).[3] Against this, others argued that the top-down approach was necessary to get round the problem of poorly organised workplaces and the existence of multi-unionism which would make it difficult to establish works councils (Clay, 1929).[4]

The 'triple organisation' needed to work according to a 'common principle' but its precise function would depend on the parties concerned (Whitley, 1919, para. 13). The Report outlined the main elements of a triple structure for conciliation machinery giving examples of issues to be dealt with ranging from settling pay and conditions, to technical education and training. The Report repeatedly argues that each industry and district will have different needs and state intervention is best limited to promoting or advising.

This voluntarist principle reaffirmed the laissez-faire policy of a separation of politics from society and economy leaving Capital and Labour to sort out their own houses. Some contemporaries saw the weakness in voluntarism arguing that the Minister of Labour should "order the parties to meet" and "table a framework", for the parties would not meet voluntarily (Button, 1918, p.4). Others argued that more government intervention would have permitted "the whole conciliation machinery of the country to be systematically reviewed" (Clay, 1929, p.157). It certainly would have made

establishing Whitleyism in local government much less of a struggle in the inter-war period. In the event, voluntarism meant that Whitleyism was not taken up in the well-established industries. Some have argued that this was unfortunate as Whitleyism could have averted much post-war industrial conflict.

Nevertheless, the Whitley recommendations were significant for the labour movement. They constituted a "public and official recognition of trade unionism and collective bargaining" at a time when "large groups of employers were still refusing to recognise the unions when war broke out" (Clay, 1929; Clynes, 1918, p.21; Greenwood, 1913).[5] However,

> "Such official recognition was the conclusion to which the practice of industry and the investigations of successive commissions and committees pointed... it marked the close of an epoch. Collective bargaining, for which organised labour had been fighting for over a century, was authoritatively pronounced normal and necessary…" (Clay, 1929,p.154,177). [6]

In sum, the Whitley Reports reflect some key related threads of social and economic thought of wartime Britain in 1917: a growing acceptance of the differences between Capital and Labour; the need for conciliation to avert industrial conflict; the need for 'reconstruction' and 'reconditioning' of industry as better ways of reducing production costs than wage reduction (Clay, 1930, p.157). The Reports, while redolent with ethical premises, represented a pragmatic response designed to placate Labour at a time of revolution abroad and wartime (including imminent postwar) demands for radical reform at home. The trade union leaders on the Committee were

mostly in tune with this approach and keen to get Whitleyism introduced in the private sector and in government employment (Clynes, 1917; Button, 1918).

The premises underlying Whitley mark thus the rise of a 'pluralist' approach to IR as well as the growing recognition of the need for state intervention in industry. It was a view that was strengthened during WWII with a Central Planning Committee being a major item on the agendas of the Wartime Reconstruction Committee of the 1940s.[7]

A key strength of Whitley was its flexibility which permitted variations according to circumstances, as the Committee noted. However, the problems of getting Whitley adopted in public services in the interwar period demonstrate a key weakness of the voluntarist approach underlying Whitley. The government's reluctance to recognise union organisation amongst its employees was noted in frequent exchanges in the House of Commons and although it gave way by adopting Whitleyism, the speed of adoption and union gains were slow and hard-won in the interwar years (Morris, 1919; Kelly, 1980).

Adoption of Whitley in Public Services: Hope after Early Struggles 1880s-1919

From the 1880s, there was growth in trade union membership and collective bargaining as well as growing amounts of state intervention in the newly emerging public services. Indeed, there was a remarkable growth in public sector trade unionism throughout the 20th century. Between 1911-1979, union membership in Britain grew by a factor of four; in the public sector, it grew by a factor of ten (Fryer, 1989). There was a sustained increase in the Depression years of the 1920s when private sector unions suffered heavy losses (Spoor, 1967; Fryer, 1989, p.19).

However, the 1930s were difficult times due to cuts in public expenditure and recession with a public sector pay cut of 10-20 per cent imposed in 1931 (Parris, 1973, p.90; Carpenter, 1985, p.25; Bozio and Johnson, 2010, p.219).

Unionism amongst the 'black-coated proletariat', that is, clerks, shop assistants and government employees, grew rapidly between 1890-1920 with the largest growth amongst civil servants (which included post office workers) and local government officers; even police and prison officers attempted unsuccessfully to establish a trade union (Webb & Webb, 1920a, p. 503-11). School teachers had joined unions by 1870 and NUT (National Union of Teachers) membership rose dramatically over the next couple of decades (Webb & Webb, 1920a, p. 506; Clegg et. al. 1964, p.223; Seifert, 1987, p.15). In 1919, the Burnham variant of Whitley was established for teachers (Ironside & Seifert, 1995, p24). Civil service unions were at first denied recognition but successfully established a series of joint councils after the publication of the Whitley Reports (Webb & Webb, 1920a, p. 509; Clegg et. al. 1964, p.215; Clegg, 1979, p.32).

Prior to the establishment of the National Health Service (NHS) in 1948, bargaining arrangements were scarce for most groups of workers partly due to the fragmented structure of the service but also due to resistance from employers (Carpenter, 1985). At the beginning of the 20th century, the hospital service was divided into three separate spheres: lunatic asylums, voluntary hospitals, poor law infirmaries and workhouses. As public employment was not protected by the Factory Acts, hours were long (over 70 a week), wages low and docked if inmates escaped on their watch (ibid. p.10-11). Asylum staff started to organise in unions by 1910 and in the poor

law service by the 1920s. However, union organisation in voluntary hospitals did not commence until WWII. A Whitley Committee for national asylum(s) workers was established in 1919 and achieved national pay and conditions of service. However, the impact of high unemployment in the interwar years 'burst the union bubble' and the unions struggled to protect the gains they had so far made (ibid. p23).

Similar trends are found in local government which included public utilities - gas, electricity supply, water supply and tramways. Union organisation was well-developed in most of these and NJICs were established in 1919 (Sheldrake, 1988). Amongst other manual municipal workers, the forerunners of NUPE (National Union of Public Employees) had been successfully building membership from the 1880s (Dix & Williams, 1987). By 1919, they had fought a successful campaign to win public support for direct labour (as opposed to contracting-out to private bidders) and established an NJIC for non-trading services. Local government illustrates well a core weakness of Whitleyism: due to its voluntarist approach, enforcement of national terms and conditions depended entirely on union bargaining power. Here, the employers refused the demand for a national wage rate in 1919 and the union side agreed that wages should be settled locally. The interwar period was thus spent building up union organisation to gain local recognition by provincial council employers.[8] NALGO (National Association for Local Government Employers), organising white-collar municipal staff, faced a similar situation.

The coal-mining industry though highly unionised at the time of the Whitley Reports did not take up Whitleyism as it was preoccupied with its demand for nationalisation (Clay 1929:159). Nationalisation finally came with the postwar Labour government of

1945-51, when the major fuel, transport and power industries were brought under public ownership.

2. Public Service Whitleyism under Voluntarism and 'War Socialism' 1919-1948 : Methods, Structure, Ethos

The public sector is heterogeneous but one can distinguish three sub-sectors historically. Central government or the civil service forms one with salaries and wages (manual or white-collar) paid out of taxation. Local government forms a second category where wages are funded through a combination of local taxes and central funding. Nationalised industries formed a third traditional category.

This categorisation reflects the period of rationalisation and progressive modernisation of 1945-1979, through the establishment of national bargaining and the spread of Whitleyism. However, and despite common roots in Whitleyism, each public service, and with it trade union action, evolved historically according to the material constraints of local circumstances. Within each service, as local government demonstrates, the difference in union outlook and methods between white-collar and manual staff, in the pre-1914 period is stark. Municipal officers were wary of acting like private sector unions fearing this 'retrogressive step' which, while offering gains, would not offer security of tenure, higher pay scales and superannuation which were considered necessary to attract professionals. Trade unionism was 'nausea' and the strike weapon abhorrent (Spoor, 1967).[9] They felt distinctive – a class apart, a new professional class of expert bureaucrats necessitated by and benefitting the growing public community services.[10] They saw themselves as public servants who, with

teachers and other public service professionals, were distinctive because they had

> "…no dealings with private clients, none with the profit-making employer…its members are paid out of public funds…and all of them work under essentially public direction and control."[11]

However, in the interwar period they did use union methods to obtain standardised careers and superannuation. Whitleyism thus locked (as NALGO feared) public professionals into conciliation machinery which required union organisation and methods to achieve its ends. This sat uneasily with their desire to be part of a progressive state bureaucracy and their self-image as public servants and part of a 'local civil service'. However, in common with other public sector unions (but unlike private craft unions), they also used political lobbying as parliament had final authority over wages and conditions (Clegg et. al. 1964, p.215, 221).[12]

The early municipal manual unions used political action too (lobbying central and local politicians) in their struggle against the sweated wages paid by private contractors. However, unlike their white-collar colleagues, they were deeply influenced by the political and industrial context of syndicalism and new unionism. And, the methods and tactics they developed were inextricably linked to those of the general unions (Hobsbawm, 1968; Clegg et. al. 1964).

With the growth in local community services, local government employment stood at 700,000 by 1911 and the wage bill was £200m or one-tenth of that for private sector employment with overall expenditure at £300m (Webb & Webb, 1920b, p.11). The

line between private and public was in many ways as opaque and incoherent as it has become again after decades of neoliberal reform. The consequent fragmentation of public services across each of the 2,000-plus local authorities was one reason why the local government manual Whitley NJIC demands for a national wage rate were difficult to achieve. On the other hand, growing local union militancy in some Northern regions and across public services, helps to explain why the government extended Whitleyism to government employment. Unions organising municipal workers "paid close attention to local elections" with the Gasworkers' union and the Tramway unions using the extended franchise to support local councillors in order to improve working conditions and pay (Clegg et. al. 1964, p.88).

In a letter to the Daily Courier regarding the 1913 municipal strike in Leeds, Arthur Greenwood (Labour MP and Secretary to the Whitley Committee) and Henry Clay (economist and academic) summed up some key points about public employment : a municipality ought to be a good employer and not deny its workers a conference on wages and conditions of labour; if the right to strike is to be denied to municipal employees, then "municipal wages should be on a special standard and comparison with other cities is of no use when there is no definite principle to tackle the problem".[13] The Yorkshire Post retaliated the next day: it railed against the university professors who were for the strike and against syndicalism which they railed "is not trade unionism …its main concern is the "holding up" of a community."[14] However, it agreed that

> "municipal employment ought to be slightly over, rather than under, the level of wages in similar occupations; it should attract the best men in the class

required."

These, and other, responses to the Leeds strike (erupting over Christmas 1913) reflect some of the key themes underlying public service IR and its evolution in the ensuing 100 years. For, the lack of 'definite principle' (complained of above) to tackle the problem of public sector wage determination and the status of public service labour in a capitalist economy has so far not received sustained study or treatment. Thus, the legal status of public employees is not clearly distinguishable from that of private employees and while legislation affecting particular groups of public employees exists, there has been no wholesale coverage of the civil service by statute as in, for example, France. As a consequence, in principle, there is no formal distinction between the state as an employer and a private citizen as an employer and thus, in practice, private labour law applies to public sector workers (Winchester, 1983)

Thus, Whitleyism, while it offered hope to public sector workers, locked them into the voluntarism of the private sector. The consequent lack of sectoral coordination/planning meant that particular problems were resolved *ad hoc*. And though Whitleyism endorsed collective bargaining and nationally agreed rates of pay, this was difficult to achieve. For, under voluntarism and laissez-faire, at a time of falling prices after 1920 and mass unemployment, local employer resistance meant wages were established unilaterally.

A similar pattern occurred during WWII with revived talk of reconstruction and planning with "organised Labour" urged to place the "whole of its power behind the war effort".[15] It was felt that,

> "Men and women…fighting to destroy Nazism and Fascism intend to have something better than poverty, slums and unemployment…Reconstruction in the sense of tinkering up the old structure is not good enough. We must aim higher."[16]

There were increased levels of state intervention to maintain maximum production with the idea of a state medical service seen as increasingly inevitable and the Beveridge Report (1942) laying the foundations of the postwar welfare state.[17] The government also intervened to staff shortages in public services, by "directing" workers into them and encouraging bargaining arrangements (Craik, 1955, p.89). As in WWI, government was keen to minimise industrial conflict. The Conditions of Employment and National Arbitration Order (1940) obliged employers to observe terms and conditions of employment not less favourable than "recognised terms and conditions" with any disputes referable to the National Arbitration Tribunal (Spoor, 1967, p.193). In local government, NALGO used these provisions to secure national bargaining in 1943 with provincial Whitley council powers reduced and their recommendations subject to approval by the new national joint council (NJC).

NJC minutes for manual non-trading services, through the war, show unions successfully using the Whitley provincial councils to obtain wage rises and war wage bonuses. Recourse to arbitration increased as did anomalies and divergences between councils. The employer side of the NJIC intervened by making war wage variations subject to national bargaining only. This meant unions were negotiating at both local and national levels. The NJIC Employers' side complained that

> "Trade unions' continued practice of pressing for basic wage increases in the provincial councils and war wage increases in the NJIC is now assuming alarming implications." [18]

By the end of the war, the Employers' side accepted, in 1946, that national bargaining was a better option than endless disputes at local level over wages and bonuses.[19]

Despite government encouragement of collective bargaining in health services (run by local councils) to tackle wartime labour shortages, authorities resisted national bargaining. The Beveridge Report's (1942) recommendation for a National Health Service was not heeded until 1946. The new NHS Whitley NJIC was modelled on local government and the civil service.

3. Public *and* Not Public : Laissez-faire and the limits and legacy of Residual State Intervention

The economic doctrine of laissez-faire involves a separation of the political from the economic organisation of society. Clay saw the 'early Liberals' with their preference for laissez-faire as the "heirs of the Whigs" due to their distrust of "any concentration of authority" and their desire for "checks and balances to prevent the abuse of necessary authority" (1929). The latter included both fear of interference from politicians and civil servants. John Stuart Mill was very alive to this distrust of government interference, rooted in the 18th century fear of absolutism, when, in his *Principles of Political Economy*, he cautiously made a case for justified state intervention in certain circumstances (Mill, 1848).

Political and industrial agitation by the working classes led to some relaxation of the laissez-faire doctrine throughout the nineteenth century. The trend accelerated during WWI. This 'War socialism', as Keynes noted, increased production to levels unknown in peace time convincing many of the benefits of state intervention while the doctrine of laissez-faire was seen increasingly as a 'disreputable superstition' (Keynes, 1926; Clay, 1929) Nevertheless, as Keynes intuited, the contest between the two orthodoxies, in practice, would centre less on technical, economic issues and more on the psychological and moral issues inherited from the Whig and Liberal legacies.

This was reflected in the ambivalence of Mill, Keynes and Clay, major political economists of state intervention, who were not for socialism but for making capitalism work better. The result was a pattern of *residual* state intervention whereby state intervention grew in times of war but receded with the resurgence of economic downturns after war. Nevertheless, on a global social and cultural perspective, residual state intervention (in the form of Keyesianism), which after WWII was endorsed by a cross-party consensus, created a period of relative economic stability (Judt, 2008).

However, a detailed examination of public sector IR, and the evolution of Whitleyism, reveals that the new welfare state was hit by economic crises and austerity immediately after 1945 with the new NHS staff soon becoming disillusioned as the government seemed keener to hold down wages than improve staff welfare (Carpenter, 1985, p.22). The reforms were substantial but the costs of nationalising

industries (considered obsolescent since World War I) in terms of compensation to private providers and modernisation were high (Clay, 1929, p.175; Hyman, 2001, p.97. "Socialization in a profoundly non-socialist country" (Seifert, 1992, p.12) in the context of economic crises thus deepened many of the contradictions that socialisation was intended to resolve.

As Krugman notes, Keynesianism proposes state intervention to make capitalism work better but is "intellectually inherently unstable" partly because it is a

> "regime that by and large lets markets work, but in which the government is ready both to rein in excesses and fight slumps." (Krugman, 2011, p.23)

In other words, Keynesianism continued the policy of residual state intervention which, from the 19th century, was concerned to offset the worst social consequences of free market economics by creating public services (Gill-McLure, 2013). But, this cyclical and *ad hoc* approach suffers from a lack of analysis around questions concerning: the legal or economic status of the public service labour created during periods of intervention; or the principles for determining pay in a non-market sector. John Stewart Mill, R.H. Tawney, G.D.H.Cole, G.B. Shaw, Laski and the Webbs (liberal and socialist thinkers) to take some leading examples, considered some of the problems involved in managing public employees. Civil servants and local government officers also debated issues around public service and public administration in their association journals, but their work was not taken up and developed in any systematic form.[20] There was nothing akin to the systematic debate, or institutional definition of public service found in early 20th century French

administrative jurisprudence around the notion of 'le service public'. This notion, by providing "powerful conceptual machinery" for redefining the modern state's tasks as the satisfaction of collective needs and social integration, acted as "a major driver of social and political change" Chevallier, 1987, p.9). And, despite attacks by neoliberal policies, it remains a powerful concept (see Rouban, this issue).

Instead, the legacy of public service fragmentation, rooted in and redolent (even in 1947) of Victorian times, was reflected in the multiplicity of unions and the make-up of staff and employer sides of Whitley councils (Spoor, 1967, p.348-351; Carpenter, 1985). In local government, the Employers' side represented over 2,000 local authorities of varying size ranging from county councils to rural districts, each with different needs and different political tendencies. The negotiating machinery in the NHS Whitley councils was 'complex and divided, the issues confused by political pressures'. The fact that the government was paymaster but not present on the Committees, meant delays as management sides had to gain approval for pay claims.

In local government, the employer side is made up of local politicians which further complicates negotiations and indeed influences union tactics. These considerations necessitate an analysis of the distinctiveness of public service IR. However,

> "In the voluminous literature on British trade unions there is virtually no treatment of public service unions as a distinct set of institutions. " (Terry, 2001, p. 2)

An historical and political economy perspective is crucial for understanding the

issues: in particular, the similarities *and* differences between public and private sector unions. Thus, from their beginnings in the late 19th century, partly because of government reluctance to recognise unions amongst their own staff, manual unions used the methods of private sector unions such as the strike. But, they also used political pressure on local and central politicians and the press to make their arguments and win public support. In sum, they engaged in a political process *and* used private sector union methods.

A key strength of Whitleyism lay in its flexibility and hence ability to accommodate these two methods. In local government, by 1947, manual and professional staff forged distinctive machinery to settle pay and conditions but in ways which also embodied a 'professional public service ethos'. This ethos is often mentioned but rarely analysed and yet it is a key traditional part of public servants' identity which shapes their political and workplace behaviour. From a labour process perspective: public service workers produce *use values* rather than commodities; the services (other than utilities and transport) are free and paid for out of taxation. In the absence of a market and the (traditionally) limited pressure to produce surplus value, there is not a formal economic opposition/tension between production costs and consumer prices. Indeed there are technically no consumers but public citizens who 'need' services. These public needs are determined through the ballot box and not through supply and demand mechanisms. In consequence, the public labour process is characterised by the kind of *relative autonomy* that enables public servants to act as mediators between the state and the citizen (Peters & Pierre, 2014). It explains the 'psychological bond' that public sector workers so often describe as having with their patients, students, pupils and other members of the public that they serve.

However, this flexibility of Whitley was also a weakness as the voluntarist principle underlying it perpetuated contradictory and conflictual behaviour amongst public service managers, employers, governments and unions. Thus, historically, a public service ethos evolved within a system lacking institutional support from a formal/political recognition of the need for non-market pay determination principles and mechanisms capable of untangling these contradictions. The resulting legacy of fragmentation, voluntarism and laissez-faire meant the union and employer sides were complex with a multiplicity of unions and employers with differing interests. Government, as paymaster, delayed settlements and the lack of distinctive principles for pay determination created serious problems in the context of postwar austerity and crisis.

However, these problems were not intrinsic to the Whitley structure or philosophy of multi-tier, permanent arrangements for joint regulation of pay and working conditions. Rather, this progressive approach of joint regulation in public service IR created an institutional basis for a universal public service after 1945. It helped to drag Victorian approaches to public welfare into the twentieth century: national salary and wage structures rationalised service delivery; the relatively better pensions and working conditions helped attract qualified personnel by creating a career structure and, despite lower wages, staff were attracted by the public service ethos.

Whitley's later decline is arguably more logically traceable to the residual nature of state intervention in the UK whereby the function of the public sector under Keynesianism is to aid capital accumulation by correcting market imperfections. This

default approach in the context of economic crises and declining international competitiveness left the newly created progressive public service IR infrastructure of national pay bargaining under massive strain.

4. The Rise and Fall of the 'Traditional Whitley System' : comparability, low pay and rising discontent 1948-1979

The social or public dimension of wage bargaining became more apparent with the growth of the nationalised industries and the public sector generally which at 1950 employed more than a fifth of the labour force (Wootton, 1962, p.105). In local government and the NHS, where services are free at the point of delivery, the major cost over which there is any government or managerial influence is labour costs. Attempts to contain public expenditure amounts here to a declaration to keep labour costs down (Wootton, 1962; Allen, 1966, p.62).

In 1955, the Priestley Commission attempted to tackle the problem of pay determination in a non-market sector through the principle of 'fair comparison' (with private sector pay) for the civil service. Comparability (used as a reference point throughout the public sector), consultative arrangements and arbitration procedures together formed the institutional expression of a tacit agreement between the state to act as a good employer and state employees and their unions to refrain from industrial action (Winchester, 1983). However, comparability simply locked public sector pay into the “absurdities and contradictions” of the classical theories of wage determination in a free market; for the notion of fairness in 'fair comparisons' is as “notoriously devoid of a rational guiding principle” in public sector pay as in the

private sector (Wootton, 1962, p.11,162). Thus, the Priestley formula (and Whitleyism), which traded better conditions in the public sector for lower pay, began to be challenged, by for example NALGO, in the context of incomes policies (Newman, 1982; Farnham, 1979). The exercise took time leading to high pay claims to 'catch up' in order to make up for time elapsed between pay claim and settlement dates. This 'cycle of relative pay decline, increasing conflict and large pay awards', was exacerbated by wage freezes and led to the first ever national civil servants' strike in 1973 (Lawrence, 1973;White, 1994).

More generally, in the context of 1960s wage restraint, a number of features of public sector IR left staff with a rising sense of resentment. For example, opportunities for wage drift were few, with limited room for the 'productivity bargaining' found in the private sector, finance was controlled by central government and as paymaster, government could more 'strictly apply' incomes policies (Levinson, 1971, p.71-77; Lawrence, 1973). Further, much public sector work was/is difficult to measure with little or no experience/expertise in work measurement techniques.

In addition, despite Harold Wilson's insistence (in 1974) that civil servants would be treated fairly and that the government would not retreat from comparability, pay research informing comparability was suspended between 1975-1979 (Painter, 1982, p.23). However, to see frustrations with comparability or the uneven impact of incomes policies as the sole and direct causes of public sector militancy is over-simplistic. One needs additionally to look at the shifting nature of public sector employment, union policies and politics. Civil servant attitudes were becoming less deferential towards authority. In 1981, staff became involved in one of the longest

disputes since 1926 (ibid.p.19). They were reacting not just to problems with comparability but to the government's retreat from a participatory approach to pay determination and its 'poujadist' and hostile attitude to its officials' proclaimed 'waste' and bureaucracy (Hennesy in Painter, 1982).

In local government, the postwar shifting social composition of NALGO members saw increasing numbers of clerks from a working-class background with a stronger trade union tradition (Newman, 1982). This provided NALGO with the basis of a more radicalised membership. Growing numbers of redundant manufacturing workers absorbed by the public sector during the deindustrialising 1970s saw shifting views on industrial action and trade union organisation. Strains on comparability at a time of high inflation and increased international competition meant increasing pressure on public sector union leaderships to develop more democratic organisational structures to contain radical demands of the New Left in teaching and local government (Seifert, 1987).

A report into NHS Whitleyism found one problem was government involvement in central negotiations (McCarthy, 1976). Major problems occurred due to a management side made up of "employers who do not pay and paymasters who do not employ" (para.2.3). The complexity and centralisation of Whitley bargaining left local government and NHS staff feeling distanced from decisions by managers and unions.

Unions' increasing reluctance to use arbitration was seen as another cause of increased industrial conflict (Levinson, 1971, p.31). By 1979, public service unions affiliated to the TUC had an estimated membership of 4.5m and constituted 37.4 per

cent of all trade unionism (IDS, 1989). They responded to the public expenditure cuts of 1975-1978 with the wave of public sector strikes dubbed the 'winter of discontent'.

The Clegg Commission on Pay Comparability was set up in the wake of the strikes by the Labour government. Despite its narrow definition of comparability (Clegg, 1980, para.70), the Commission took a broadly Keynesian/pluralist approach to public sector pay militancy seeing it as due to imperfections in the economic system which it was the function of government to put right. The Conservatives disagreed and abolished the Commission deciding not to take up its recommendation for a more holistic approach to public sector pay. Instead, it preferred to move away from the postwar Whitley formula for industrial peace through joint regulation.

4. Neo-Victorian Modernisation of Whitleyism? Neo-liberalism, New Public Management (NPM) and Austerity 1979-Present

The Conservative government's commitment to reducing public expenditure in absolute terms marked a radical break with the postwar Keynesian consensus (Joseph, 1976; Lawson, 1992). And, the famous 'parasite thesis' - public sector expenditure is parasitic on and saps the wealth-creating potential of the private sector – was one argument behind the Thatcher government's determination to reduce the size of the public sector and the influence of its unions (Bacon and Eltis, 1978; Beaumont and Leopold, 1985) . A radical break with progressive public administration was signalled by the rebirth of monetarism to justify public spending cuts and public choice theory to justify NPM (Dunleavy, 1991).

A mix of ideological and financial factors have been behind the drive to reform and

reduce the size of the public sector since 1979. The programme of reforms included privatisation of public utilities and corporations, marketisation through various means including compulsory competitive tendering (CCT) and a move away from comparability to 'affordability' as the guiding principle of public sector pay determination.

However, public sector employment continued to grow until the early 1980s when it employed 30% of the workforce (Cribb, Disney and Sibieta, 2014). By the early 1990s, it still accounted for over a fifth of the workforce remaining around 20% by 2012. The reduction was due to privatisation of the nationalised industries with jobs losses in local government and NHS due to CCT adding to the decline. Public services are labour intensive with the pay bill accounting for the bulk of public spending. Controlling the overall pay bill, restructuring pay levels and pay determination methods was therefore a key priority. Austerity since 2010 can indeed be seen as another key mechanism for achieving this with over 700,000 jobs lost in local government alone and wages frozen for long periods with a 1% pay cap on pay across the public service.

From 1979, high levels of public pay expenditure in labour intensive public services was to be reduced by making the public sector more like the private through linking pay to markets and performance. In line with the changed pay policy and ideology, the institutional structure and culture of pay determination slowly evolved from the largely centralised Whitley structures of the postwar period. It is important to note the different sources of change in the sector: formal changes to pay negotiation structures and attempts to link pay rises to changes in conditions of service (pensions have come

under particular attention). In addition, reorganisation and marketisation of services have transformed (and fragmented) the public service IR landscape.

Pay Review Bodies (PRBs) by 1991 covered 1.5m employees including teachers, certain NHS staff and top civil servants. For some, these represent a radical shift away from the Whitley model which involves annual free collective bargaining between employers and staff, albeit with government interference/involvement. Others see continuity: for, while they formally removed over a million employees from national pay bargaining, they continue to encourage cooperation and dissemination of evidence by unions (Bach and Winchester, 1999, p.44). Strictly speaking though, PRBs do not involve direct bargaining; instead, unions and employers make representations to a panel appointed by the Prime Minister. Their claim to be rational, less remote and with less government intervention than Whitley, is contestable (Seifert, 1992, p. 277). And in light of the fact that government sets policy, financial targets and performance targets, the "nominal independence of the new self-governing trusts" could be said to be "heavily circumscribed" (Bach and Winchester, 1999, p. 31)

Direct negotiations on Whitley lines remained in local government, universities, the lower ranks of the civil service and lower paid groups in the NHS. PRB pay settlements have been generally higher than direct settlements. This, and the fragmentation of public services through outsourcing, has created anomalies, and erosion of internal and external (across public services) pay differentials since the 1980s. Where direct negotiation remains, there have been increasing moves towards a national pay framework with increasing local flexibility. Local flexibility made little

progress in the 1980s. However since 2010, local authorities, under pressure to meet statutory standards of service under reduced budgets, have begun reducing terms and conditions locally. In schools, where schoolteachers are covered by PRB but staff support are covered by direct negotiations with local authorities, this has led to staff resentment over unfair treatment as different staff within the same service (indeed in the same school) find themselves with different levels of pay and conditions. The current industrial conflict amongst school teaching assistants is a direct outcome of such anomalies and austerity as some find their pay being cut by 25% to cover term-time working only (Harris, 2016)

Local government – a key site of 1970s industrial conflict - was a central target for reform. Reform of the sector's financial and institutional framework included rate-capping which restricted local authorities' ability to raise local finance to tackle local problems. Reforms were aimed at controlling and curbing not only union power but local management (made up of local politicians) power to deflect central policy imperatives. However, the dispersion of power on the employer side meant that effective control eluded central government during the 1980s (Winchester, 1983).

Such shifts, inspired by NPM, aim to make the public sector more like the private. This *regressive* managerialist approach to public administration claims to be more efficient and accountable than the traditional professional bureaucratic *progressive* approach. In line with this preference CCT, from 1988, required local authorities and hospitals to submit their manual work for competitive tender with private sector bids. Moving from 'direct' labour to 'contracted' labour was done through a new service delivery model embodying key NPM principles: devolved budgets to new cost centres

and the purchaser/provider split created a new locus for service delivery. And, it bypassed traditional departmental structures headed by professional officers. The new model was aimed at reducing costs through removal of hierarchies to make cost-centres more budget-led rather than service-led. It was designed to reduce politicisation of IR by reducing elected member, professional and central union involvement in the specification and management of manual service specification. NPM thus redefines 'efficiency' and 'accountability' in public service delivery: efficiency is wholly financial and about cost-cutting while accountability is linked to consumer satisfaction and meeting central targets rather than meeting democratically defined needs.

Trade unions resisted cuts and market reforms throughout the 1980s with periodic full-scale national confrontations as with the NHS in 1982. In local government, influenced by TUC public service strategy, union policies converged in a campaign against the Green Paper's (1985) consultation on competition. They developed the Joint Working approach to CCT involving coalitions between professional and manual unions working with sympathetic managers, technicians, accountants and councillors to successfully keep services in-house (Wainwright and Little, 2009; Gill-McLure, 2014). It included influencing tender specifications and building stronger workplace organisation. Shop stewards met staff to examine how/if costs could be cut without loss of service quality (Gill-McLure, Ironside and Seifert, 2003).

Civil service reforms included a shift to separate agencies tasked with executive activities and responsibility for negotiating pay and conditions (Fairbrother,1994). Civil service-wide pay was abolished in 1996 except for senior civil servants whose

pay is negotiated by an independent pay review body; though, the Treasury continues to exert a strong influence on the 150 new bargaining units (Bach, 2010, p.166). Reform of the Whitley pay structures and ethos in the civil service has been more comprehensive than elsewhere in the public sector with government in a position to exercise more direct control (Bach and Winchester, 2003, p. 300). The government, in its 2013 Spending Review announced an end to automatic time-served progression through annual increments by 2016 (HM Treasury,2015). It is being replaced by performance-based assessment. A recent survey of full-time scientific, professional and technical grades however found a preference for traditional methods of pay determination with a clear link between pay and performance and clarity around pay criteria (Kessler, Heron, Paul and Gagnon, 2006). The findings reflect low morale and discontent amongst civil servants who went on strike in 2014 against pay freezes and a cut of 20% in real incomes since 2010.

In the NHS, reforms included the creation of trusts with power to set pay locally from 1991. However, progress with local pay systems was slow with only a minority of trust taking this option (IRS, 1997, p. 2-11). Slow uptake has been due to a number of reasons: including managers' preference for less time-consuming methods - it reportedly took six years in one trust (Corby et.al. 2003, p513). New Labour's *Agenda for Change* (1999) attempted again to modernise pay systems in the NHS. It aimed to streamline pay structures with three pay spines – one for doctors, one for nurses and another for all other staff and to enable cross-functional working and compliance with equal pay legislation. Core conditions of work are set nationally with others done locally (Bach and Winchester, 2003, p. 303). There were delays in implementation but broad support for the proposals from unions and management.

Agenda for Change is under pressure now from austerity policies but in the aftermath of the 2015 strike, the unions are proposing ways in which to make the pay structures less complex and fairer (UNISON, 2016) In their evidence to the PRB in 2016/17, the staff side calls for a universal uplift to wages rather than a targeted approach. They point out that trusts are on the whole supportive of the Agenda but that it is under pressure due to outsourcing. They note the

> "many and interconnected challenges facing the NHS workforce, including increasing use of agency staff, stagnating wage levels, declining morale and motivation and increased staff shortages." (NHS Pay Review Body 2016-17, p2)

Labour shortages have been reported from the late 1980s across the public services including the civil service, NHS staff and schoolteachers. Schools were given the power to opt out of local authority control (Education Reform Act 1988) giving central government more legal powers. Under this Local Management of Schools initiative, contracts of employment in opted-out schools were transferred to school governing bodies with schools having devolved budgets and people management duties (Ironside and Seifert, 1995).The move followed union disputes and conflicts between Labour authorities and central government. The Burnham variation of Whitley for school teachers (established in 1919) was abolished in 1986 and replaced by the School Teachers Review Body in 1991.

In its first report the STRB felt staff shortages were not a big problem and proposed

pay enhancements for teachers demonstrating performance improvements (STRB, 2009). However, shortages in teaching have been highlighted by the unions citing low pay, high workloads and large class sizes as causes. Pay structures have been reformed and by 2009, the STRB was expressing concern about the multiplicity of local arrangements for pay and conditions developing without an overall framework for guidance (STRB, 1992). However, they also felt any statement of teacher responsibilities should be 'concise, enabling and flexible'. In the event, teacher and heads of school workloads (up to 60 hours a week in some cases) have continued to increase with recent research reporting that only Japan and Alberta, Canada had higher teacher workloads (Labour Research, Nov. 2016. p.4) .

Local government is the largest sector still to be covered by national, direct bargaining along Whitley lines for over 2.64m people or 1/8 of the workforce (ONS, 2012). Despite pressure from central government from the 1980s, the employers' side retained national bargaining preferring local flexibility with in an increasingly 'framework' agreement. However, a minority of small district authorities in the South-East of England pulled out of national bargaining, with some later coming back in (LGMB, 1996). In 1993, the three major municipal unions, NUPE, COHSE (Confederation of Health Service Employees) and NALGO merged to form UNISON with 1.5m members now the largest public service union. The National Joint Council (NJC) for manuals and the NJC for white-collar staff merged to form a single NJC. A new single-table national agreement introduced a common pay spine based on three principles: flexibility, simplicity and equality. This Single Status Agreement functions like that in the NHS having core conditions set nationally but with others that are variable locally.

New Labour, in 1997, replaced CCT with Best Value (BV) imposing a general duty to 'secure continuous improvement'. An authority's performance would be measured according to centrally determined 'performance indicators' and 'performance standards'. Authorities were to undertake reviews of functions and produce annual performance plans to be audited. BV retained the emphasis on competition but claimed to be less prescriptive than CCT. However, studies found 25-30% of pilot authorities recommended competitive tendering with or without an in-house bid, with a continuation of work intensification, job loss and job insecurity (Richardson *et.al.*, 2005). New Labour increased funding in some areas but their 'modernisation' of finance and quality issues, as well as the continuation of restructuring initiated by the Conservatives, has increased bureaucracy, complexity and workload thereby entrenching further the 'audit society'.

Thus, NPM continued to inform New Labour's public service policy with workforce issues centre-stage for achieving centrally-imposed performance targets. The push for decentralised pay bargaining was further intensified to make it more market-led. There has been further erosion of the Priestley formula for offsetting lower wages with better conditions (such as pensions and holidays), by shifting to a *Total Rewards Strategy* that attempts to balance low pay with lower conditions by building pensions and holiday entitlements into wage-setting principles (LGE, 2007).

NPM, marketisation, pressure on terms and conditions were key policies for the coalition government 2010-15. Six years of austerity under the Coalition government and the Conservatives has meant more and even bigger cuts to public expenditure

with much of this achieved through job loss and pay freezes. At 20% of total employment in 2012, public sector employment is at its lowest in 40 years. Although education and health are protected, the Office for Budget Responsibility forecasts that 1.1m jobs will go by 2018-19 bringing public sector employment down to 14.8% of total employment (Cribb *et. al.,* 2014*).* The pressure of austerity on jobs, conditions and living standards has led to demoralisation of public servants with working days lost due to strikes peaking in 2011 (ONS, 2014).

Concluding Discussion: The Past and Future of Public Service Whitleyism – 'Wars of Ideas'

Post-1979 'modernisation' has attempted to transform the Whitley model of pay determination. Recent trends illustrate the slow but inexorable shift from the Whitley pluralist ethos/philosophy as it evolved in the 1919-1979 era : collectively negotiated pay and conditions in multi-tiered machinery at national, regional and workplace levels; public service as 'good employer' offering job security; pay determination through fair comparisons with the private sector; lower pay to be offset by better working conditions and relative worker autonomy. The voluntarist approach of leaving the parties largely to settle the shape, texture and content of bargaining under Whitley has been replaced by a top-down, command-and-control, interventionist framework of centrally-imposed targets driven by a philosophy of cost-cutting, marketisation and performance management.

Performance measurement techniques based on centrally-established targets claim to provide a universal standard of service delivery and accountability. In reality, the continued adherence to a public service ethos by a low paid and diminishing

workforce makes up the ever-increasing gap between diminished funding and democratically-established public service levels and standards. The result has been systemic and systematic demoralisation of staff suffering from work intensification as cost reduction and central targets become major drivers of labour management and service delivery. A commonly expressed concern amongst staff is that increased workloads with staff covering for absent colleagues means people working beyond their comfort zones and competences. The consequent *job blurring* increases stress, accident and injury. Centrally-driven performance management creates 'a blame and bullying culture' with blame being driven down from central government through tiers of management down to frontline staff and service users. The dangers and problems of setting targets without consulting 'the real experts' (the staff) in terms of patient safety were criticised and publicised by the Francis inquiry into the mid-Staffordshire NHS Trust (Francis Report, 2010).

The government policy of outsourcing the problem to the private sector has been reported to be unworkable in the prison and probation service. Marketisation policy overlooks the fact that public service delivery is determined by social need rather than market demand; decisions about that delivery require worker judgement and discretion. Public service work has traditionally been characterised by relative autonomy among its workforce, who valued this sufficiently to balance low pay with a sense of working for the community. That this delicate balance between high autonomy and low pay worked well in delivering effective services by keeping public expenditure under control was recognised by the Priestley Commission.

The locus of pay bargaining in local government remains an important question: will

the last bastion of National Whitleyism in local government succumb to 40 years of central government pressure? The employers remain ambivalent: the need for a national pay framework though not 'pre-ordained', is 'useful' for a number of reasons: to drive change in an agreed direction, advocate the employer interest, build in national economic requirements in pay increases and provide minimum standards (LGA, 2007).

This ambivalence highlights the continued importance of other obstacles to decentralised bargaining in the public sector which include: lack of management skills; the political sensitivity of public service provision and high trade union density (Corby *et.al*., 2003). High public sector union density (generally in Europe, Canada and the US) means continued potential to resist marketisation and the break-up of national bargaining.

The historian Tony Judt recently noted the 21st century tendency to neglect the history of the 20th century (Judt, 2008). The power of the ideas that dominated a century of two world wars however has not diminished despite this reluctance to look back. The Wartime Reconstruction Committees of both wars were painfully aware of the 'War of Ideas' which had to be won if economic recession, revolution and fascism were to be avoided in the future.[21] This concern lay behind the construction of the welfare state in recognition of the need to protect society from the instability of free markets. The lesson to be learnt from the weaknesses of these Keynesian-type policies is not to deregulate markets but to learn how to regulate them more efficiently.

Public sector IR is complex. This complexity derives from its historical roots and its

evolution that deeply influenced the methods, structure and ethos of its unions, management and pay determination practice and principles. The *ad hoc* growth of public services meant a lack of any clear demarcation between public and private spheres in the late 19th century. In their struggle for public service and decent pay, early manual government employees were influenced by the new unionism of private sector unions organising semi-skilled and unskilled workers. White-collar government workers were reluctant to take the union route preferring to evolve a distinctive public service approach to pay and conditions but, in time, they followed manuals into union organisation.

Whitleyism gave much-needed institutional support and a critical fillip to these organising efforts. It pushed governments into recognising unions and into establishing conciliation machinery. However, it locked public services into the voluntarist pattern/ethos of private sector IR. In the absence of a determined effort to institute a distinctive ethos/approach for managing public service pay and conditions, the sector inherited problems rooted in lack of clarity around the role of the state in public sector IR; problems of pay determination in a non-market sector; problems of union organisation; problems around right to strike and to join unions, to name a few.

These problems were mooted across the decades, but not in any concerted manner. So, the Committee reporting to the War Cabinet on a draft Whitley constitution for the civil service noted some 'vital' differences between public and private employment : the state is the 'ultimate employer', heads of department, unlike private employers, cannot decide on wages and conditions; the profit and loss check (of private employment) is replaced by Treasury control. [22] The Tomlin Report (1931)

agreed saying that these considerations demanded a statement of principles for determining remuneration and conditions of civil servants. The Commission felt the notion of 'good employer' (invoked already for a number of decades) was of no 'practical guidance' but that broad general comparisons with outside occupations were possible and should be made. Comparability however, when finally introduced in 1955, posed problems. It was replaced by affordability from the 1980s.

These problems highlight the underlying politics of public service pay determination which demands a reasoned and historically-informed debate around the role of public services in a capitalist economy; the benefits of a mixed economy (social protections as guarantor of economic growth) and the problems of pay determination in a non-market sector. An unintended consequence of Whitleyism is that this debate has been sidelined. This debate requires a thorough examination of the weaknesses and strengths of public service Whitleyism – some of which have been sketched here.

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Notes

[1] This model was composed roughly of the original differential strategies of manual and white-collar unions.

[2] Foote, sees these as comprising Labour Marxists, for example, Thomas Mann and Hyndman; Fabians and Guild Socialists

[3] Button was ex-Executive member of the Amalgamated Society of Engineers.

[4] This argument applied to the local government Whitley Committees set up in 1919.

[5] Greenwood, handwritten notes/letter on the Leeds municipal strike of 1913, MS.Eng.C.6175, fol.30: Bodleain Library.

[6] The Whitley Report, para. 15, enumerates the suggested functions to be covered by the committees and para. 15(1v) points out "the need for regular methods of negotiation….with a view to prevention of differences."

[7] Bodleain Library, MS.Eng.c.6216.fol.37. War Cabinet. Committee of Reconstruction Problems, 1941.

[8] MRC, MSS.372/MNL/1/1 NJIC minutes for non-trading services, 1919.

[9] MRC,MSS.*20/NAL/4/1/11: Municipal Officer*, Feb 1919

[10] MRC, MSS.*20/NAL/4/1/11: Municipal Officer*, Jan. 1916, 3-5

[11] MRC, MSS.*20/NAL/4/1/11:* quotation from Beatrice Webb in *Municipal Officer* , Jan. 1916.

[12] MSS.*20/NAL/4/1/11: Municipal Officer* Nov. 1919 notes the request to the Minister of Health to bring up in parliament the issue of the refusal of a war bonus scale by Colne corporation.

[13] Bodleian, MS. Eng. c. 6175, Daily Courier, 26.12.13.

[14] Bodleian, MS. Eng. c. 6175, Yorkshire Post, 27.12. 13

[15] Bodleian, MS. Eng. c. 6216, Greenwood memorandum on 'The Labour Party and the Future', (undated).

[16] Bodleian, MS. Eng. c. 6243, fol. 45,Memo to Reconstruction Committee, The War of Ideas, Feb 1941.

[17] Bodleian, MS. Eng. c. 6243, Somerville Hastings, 'From Panel to Public Service', 1940, Lancet, Feb. 24, p375; Beveridge Report.

[18] MRC, MSS.372/MNL/1/6, NJIC, Non-trading services, Nov. 1945, para. 4

[19] Ibid. Jan. 1946

[20] MRC, MSS.*20/NAL/4/1/11: Municipal Officer,* Jan. 1916, 3-5; See Gill-McLure, 'The Political Economy' for a treatment of Mills, Cole, Tawney on the distinctiveness of public service administration.

[21] Bodleian, MS. Eng. c.6186, fol.32-3: Letter from Ministry of Labour to Employers and Unions, 20th October, 1917 ;Bodleian, MS. Eng. c. 6243, fol. 45,Memo to Reconstruction Committee, The War of Ideas, Feb 1941.

[22] Bodleian, MS. Eng. c. 6186, fols, 35-37:Sub-committee of the inter-departmental committee on the application of the Whitley Report to Government establishments, Report on The application of the Whitley Report to the Administrative Departments of the Civil Service', 1919, Special Collections,. Bodleian Library, Oxford University Library Services).

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